

5 J. R. NO. 15

By

*Christian  
Connally*

A JOINT RESOLUTION

PROPOSING an Amendment to Article VIII of the Constitution of the State of Texas, by adding a new Section to be numbered 1-f to authorize the Legislature to provide by law for the establishment of a uniform method of assessment of ranch, farm and forest lands, which shall be based upon the capability of such lands to support the raising of livestock and/or to produce farm and forest crops.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article VIII, Constitution of the State of Texas, be amended by adding a new Section to be numbered 1-f to read as follows:

"Section 1-f. The Legislature shall have the power to provide by law for the establishment of a uniform method of assessment of ranch, farm and forest lands, which shall be based upon the capability of such lands to support the raising of livestock and/or to produce farm and forest crops rather than upon the value of such lands and the crop growing thereon."

Section 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1970, at which election all ballots shall have printed on them the following:

"FOR the constitutional amendment to authorize the Legislature to provide by law for the establishment of a uniform method of assessment of ranch, farm and forest lands, which shall be based upon the capability of such lands to support the raising of livestock and/or to produce farm and forest crops."

"AGAINST the constitutional amendment to authorize the Legislature to provide by law for the establishment of a uniform method of assessment of ranch, farm and forest lands, which shall be based upon the capability of such lands to support the raising of livestock and/or to produce farm and forest crops."

Section 3. The Governor of the State of Texas shall issue the necessary proclamation for the election and this amendment shall be published in the manner and for the length of time as required by the Constitution and laws of this state.


Austin, Texas

March 25, 1969

Honorable Ben Barnes  
President of the Senate

Sir:

We, your Committee on CONSTITUTIONAL AMENDMENTS,  
to which was referred S.J.R.B. No. 15, have had the same under  
consideration, and I am instructed to report it back to the Senate  
with the recommendation that it do not pass, but that the  
Committee Substitute adopted in lieu thereof do pass and be  
printed.



Chairman

CAS

1 C. S. S. J. R. No. 15 By: Christie  
2 (In the Senate - Filed February 13, 1969; February 17, 1969,  
3 read first time and referred to Committee on Constitutional  
4 Amendments; March 26, 1969, reported adversely, with favorable  
5 Committee Substitute; Committee Substitute read first time.  
6 March 26, 1969, sent to printer.)

7  
8 A JOINT RESOLUTION

9  
10 proposing an amendment to Section 1-d,  
11 Article VIII, Constitution of the State  
12 of Texas, to provide for the establish-  
13 ment of a uniform method of assessment  
14 of ranch, farm, and forest lands.

15  
16 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

17  
18 Section 1. That Section 1-d, Article VIII, Constitution  
19 of the State of Texas, be amended to read as follows:

20 "Section 1-d. The Legislature shall have the power to  
21 provide by law for the establishment of a uniform method of  
22 assessment of ranch, farm and forest lands, which shall be  
23 based upon the capability of such lands to support the raising  
24 of livestock and/or to produce farm and forest crops rather  
25 than upon the value of such lands and the crop growing thereon."

26 Sec. 2. The foregoing constitutional amendment shall be  
27 submitted to a vote of the qualified electors of this state at  
28 an election to be held on the first Tuesday after the first  
29 Monday in November, 1969, at which election the ballots shall  
30 be printed to provide for voting for or against the proposition:

31 "The constitutional amendment to authorize the Legislature  
32 to provide by law for the establishment of a uniform method of  
33 assessment of ranch, farm and forest lands, which shall be based  
34 upon the capability of such lands to support the raising of  
35 livestock and/or to produce farm and forest crops."

36 Sec. 3. The publication of this amendment shall be limit-  
37 ed to Sections 1 and 2 of this resolution.

38 \*\*\*\*\*

39 Austin, Texas  
40 March 25, 1969

41 Honorable Ben Barnes  
42 President of the Senate  
43 Sir:

44 We, your Committee on CONSTITUTIONAL AMENDMENTS, to which was  
45 referred S.J.R. No. 15, have had the same under consideration,  
46 and I am instructed to report it back to the Senate with the  
47 recommendation that it do not pass, but that the Committee  
48 Substitute adopted in lieu thereof do pass and be printed.

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50 Christie, Chairman  
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## BILL ANALYSIS

S.J.R. 15  
Committee on Constitutional Amendments

BURGESS

### Background information:

In 1965 the Legislature adopted a proposed Amendment to the Constitution (HJR 79) which provided in substance that agricultural land should be assessed for tax purposes only on the basis of valuation factors relative to such use. This Amendment was approved by the voters of Texas and became effective on November 8, 1966.

Although the provisions of the Amendment seemed clear enough, it quickly became evident that enabling legislation would be necessary to carry out the purpose and intent of the Amendment. Accordingly, HB 1095 was introduced during the 1967 session of the Legislature to implement said Amendment and such Bill passed in each House of the Legislature by a vote more favorable than that by which the Amendment itself had passed two years previously. After the Legislature adjourned, however, the Bill was vetoed by the Governor on the grounds that the Amendment was self-enacting and did not require implementation and that certain provisions of the proposed statute might conflict with the Amendment.

The Governor may have been correct technically, but he was clearly wrong from the practical standpoint because agricultural lands are taxed today essentially the same as they were before the Legislature convened in 1965. That is to say, most farmers and ranchers have found it virtually impossible to qualify their land for "agricultural use" because of the stringent interpretations of the Amendment made by the local tax assessor. Lawsuits have been filed and some have been successful, but the situation is uncertain at best. Meanwhile, farm real estate taxes per acre have increased by more than 22%, according to data compiled by the Economic Research Service of the U.S. Dept. of Agriculture, and the need for agricultural tax relief is more compelling now than it was four years ago.

The taxation of forest lands involves a unique, and an even more pressing situation. Timber is not recognized as a growing crop and is, accordingly, taxed with and in addition to the land. The result is that tree farmers pay an ad valorem tax each year on their land, on the current year's "crop" (represented by the growth of the trees) and on the "crop" produced in each prior year since the stand was planted, and they do not recover these tax payments until the trees are harvested, some 20 to 50 years after planting. Studies of the Texas Forestry Association show that the average tax per acre of timberlands in East Texas for the year 1960 was the highest of any Southern state and the average tax per acre in 1968 was 174% more than the 1960 average. The situation is obviously inequitable and most of the other timber-producing states already provide for the taxation of timber on a realistic basis.

### Purpose of the resolution:

H.J.R. 31 would allow the Legislature to change the method of valuation of farm, ranch and forest land for property tax purposes from market value to a value determined by the productive capacity of the land to produce farm, ranch and forest products. Such value would then be used to determine the assessed value of farm, ranch and forest lands and they would then be taxed at the same rate as all other property.

### Section by section analysis:

Section 1: deletes Sec. 1-d, Art. VIII, as it now reads and substitutes a new section which does the above.

Section 2: submits this to a vote in November 1970.

*Amend C.S. S. J. R. No. 15* *Jay Christie*

*By striking the figure "1969"  
as it appears on LINE 29 of p. 1  
of the bill and substituting in lieu  
thereof the figure "1970."*

ADOPTED

MAY 5 1969

*Charles Schnabel*  
SECRETARY OF SENATE

By: Christie

S. J. R. No. 15

A JOINT RESOLUTION

proposing an amendment to Section 1-d, Article VIII,  
Constitution of the State of Texas, to provide for the establishment  
of a uniform method of assessment of ranch, farm, and forest lands. \_\_\_\_\_  
BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 1-d, Article VIII,  
Constitution of the State of Texas, be amended to read as follows: \_\_\_\_\_

"Section 1-d. The Legislature shall have the power to provide  
by law for the establishment of a uniform method of assessment of  
ranch, farm and forest lands, which shall be based upon the  
capability of such lands to support the raising of livestock and/or  
to produce farm and forest crops rather than upon the value of such  
lands and the crop growing thereon." \_\_\_\_\_

Sec. 2. The foregoing constitutional amendment shall be  
submitted to a vote of the qualified electors of this state at an  
election to be held on the first Tuesday after the first Monday in  
November, 1970, at which election the ballots shall be printed to  
provide for voting for or against the proposition: \_\_\_\_\_

"The constitutional amendment to authorize the Legislature to  
provide by law for the establishment of a uniform method of  
assessment of ranch, farm and forest lands, which shall be based  
upon the capability of such lands to support the raising of livestock  
and/or to produce farm and forest crops." \_\_\_\_\_

Sec. 3. The publication of this amendment shall be limited to  
Sections 1 and 2 of this Resolution. \_\_\_\_\_

FORM A

(For favorable and unfavorable reports on bills and resolutions, where no committee amendments are recommended.)

COMMITTEE REPORT

Date MAY 13

HON. G. F. (GUS) MUTSCHER

Speaker of the House of Representatives.

Sir:

We, your Committee on Constitutional Amendments, to whom was referred STR No. 15, have had the same under consideration

and beg to report back with recommendation that it { do } pass, and be printed

John A. Frazer  
Chairman.

(When this form is used for a favorable report on a general bill the words "do not" are marked out. If the bill is a local bill the word "not" should be inserted before the word "printed." When used for an unfavorable report the word "do" is marked out, the comma after "pass" is changed to a period, and the remaining words also marked out.

When this form is used for a simple or concurrent resolution the comma after "pass" should be changed to a period and the remaining words stricken out because resolutions are printed in the Journal when first introduced.)

A JOINT RESOLUTION

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and/or to produce farm and forest crops."

Sec. 3. The publication of this amendment shall be limited to  
Sections 1 and 2 of this Resolution.



S. J. R. No. 15

\_\_\_\_\_  
Lieutenant Governor

\_\_\_\_\_  
Speaker of the House

I hereby certify that S. J. R. No. 15 passed the Senate on  
May 5, 1969, by the following vote: Yeas 28, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S. J. R. No. 15 passed the House on  
May 29, 1969, by the following vote: Yeas 105, Nays 24, and  
7 present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

6-18-69  
\_\_\_\_\_  
Date

Signed  
\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
3:05 PM O'CLOCK

JUN 19 1969

\_\_\_\_\_  
Secretary of State

XXXX  
S.J.R.

No 15

By Christie, Connolly.

A JOINT RESOLUTION

Proposing an amendment to authorize the Legislature to provide by law for the establishment of a uniform method of assessment of ranch, farm and forest lands. \_\_\_\_\_

Feb. 13, 1969 Filed with the Secretary of the Senate

Feb. 17, 1969 Read, referred to Committee on Constitutional Amendments

Reported favorably. \_\_\_\_\_

MAR 26 1969

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed. \_\_\_\_\_

MAY 5 1969

Senate and Constitutional Rules to permit consideration suspended by

{ unanimous consent.

\_\_\_\_\_ yeas, \_\_\_\_\_ nays.

To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays.

MAY 5 1969

<sup>amended</sup> Read second time, and { ordered engrossed.  
~~passed to third reading.~~

Caption ordered amended to conform to body of bill.

MAY 5 1969

Senate and Constitutional 3-Day Rules suspended by vote of  
28 yeas, 0 nays to place bill on third reading and final passage.

MAY 5 1969

Read third time and passed by { ~~a viva voce vote.~~  
28 yeas, 0 nays.

OTHER ACTION:

Charles Schnabel  
Secretary of the Senate

5- 5-69

Engrossed. \_\_\_\_\_

MAY 6 1969

Sent to HOUSE

Essie M. Binnis  
ENGROSSING CLERK

MAY 6 1969

the Senate.

Dorothy Hallman

Chief Clerk, House of Representatives

MAY 7 1969 READ 1st TIME  
AND REFERRED TO COMMITTEE ON  
Constitutional Amendments

Dorothy Hallman

Chief Clerk, House of Representatives

Read third time

and Passed

by following vote: yeas 105 ✓

Nays 24 and 7 present not voting

Dorothy Hallman

Chief Clerk  
HOUSE OF REPRESENTATIVES

MAY 13 1969 REPORTED FAVORABLY SENT TO PRINTER



PRINTED, DISTRIBUTED AND

REFERRED TO COMMITTEE ON

RULES 9:30 A.M. MAY 14 1969  
(Time) (Date)

MAY 22 1969

Read Second Time and passed to  
third reading by vote 95 yeas, 43 noes.

Dorothy Hallman

Chief Clerk, House of Representatives

MAY 22 1969

MOTION TO RECONSIDER THE VOTE BY  
WHICH Ag R # 15 WAS PASSED AND TO TABLE THE MOTION TO RECON-  
SIDER PREVAILED PASSED BY A non-record VOTE OF

Dorothy Hallman  
CHIEF CLERK HOUSE OF REPRESENTATIVES

MAY 29 1969

MOTION TO RECONSIDER THE VOTE BY  
WHICH Ag R # 15 WAS PASSED AND TO TABLE THE MOTION TO RECON-  
SIDER PREVAILED PASSED BY A non-record VOTE

Dorothy Hallman  
CHIEF CLERK HOUSE OF REPRESENTATIVES

MAY

29 1969 RETURNED TO SENATE

MAY 22 1969

RETURNED TO SENATE